

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 DODE-00 CIAE-00 PM-03 INR-07

L-02 ACDA-05 NSAE-00 PA-01 RSC-01 PRS-01 SP-02

USIA-06 TRSE-00 SAJ-01 SS-15 NSC-05 H-01 EB-07 /070 W

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P 141809Z JAN 75

FM AMEMBASSY PARIS

TO SECSTATE WASHDC PRIORITY 5846

INFO USMISSION NATO PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 PARIS 01123

E.O. 11652: GDS

TAGS: PFOR, MILI, FR

SUBJECT: FRELOC AGREEMENT

REF: STATE 8367

1. BEGIN SUMMARY: WE DELIVERED TO QUAI DRAFT NOTES CONCERNING FRELOC AGREEMENT ON JANUARY 14. QUAI OFFICIAL QUESTIONED 5 YEAR PAYMENT PERIOD AND ASKED FOR CLARIFICATION OF DATE BY WHICH U.S. WANTS FIRST PAYMENT. RECOMMEND THAT DEPARTMENT PROVIDE US WITH DETAILS OF ANY AGREEMENT REACHED AT MARTINIQUE SUMMIT CONCERNING LENGTH OF PERIOD OF FRENCH PAYMENT, AND CLARIFICATION REGARDING DATE BY WHICH WE WANT PAYMENT TO BEGIN. MOREOVER, WE WILL NEED TIMELY REPORTING ON SENATOR BYRD'S SUBCOMMITTEE HEARINGS INVOLVING FRELOC, REPORTED IN WIRELESS FILE. END SUMMARY

2. AS INSTRUCTED REFTEL, WE GAVE SCHRICKE (QUAI CHIEF OF PACTS AND DISARMAMENT AFFAIRS) THE DRAFT NOTES INTENDED TO FORMALIZE AGREEMENT ON THE FRELOC SETTLEMENT ANNOUNCED AT MARTINIQUE SUMMIT ON JANUARY 14. IN EXPLAINING OUR DRAFT NOTES, WE DREW HEAVILY ON PARAS 2 AND 3 OF REFTEL. WE ASKED SCHRICKE TO PROVIDE US WITH REACTION TO DRAFT NOTES AS SOON AS POSSIBLE, STRESSING CONFIDENTIAL

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THAT IT WAS IN INTEREST OF EACH OF OUR COUNTRIES TO

BRING TO A RAPID CLOSE THIS LONG NEGOTIATION.

3. SCHRICKE LISTENED CAREFULLY TO OUR PRESENTATION, AND READ THE DRAFT NOTES. HE SAID HE AGREED WE SHOULD MOVE AS SWIFTLY AS POSSIBLE TO COMPLETE FRELOC AGREEMENT. WHILE FORMAL GOF COMMENTS ON OUR DRAFT NOTES WILL REQUIRE CERTAIN AMOUNT OF INTER-MINISTERIAL GOF COORDINATION, SCHRICKE MADE THE FOLLOWING TWO INITIAL POINTS.

4. PERIOD OF PAYMENT: NOTING THAT LANGUAGE IN OUR DRAFT NOTES STATED THAT \$100 MILLION WOULD BE "PAID IN FIVE EQUAL INSTALLMENTS" OVER FIVE YEAR PERIOD, SCHRICKE RECALLED THAT THE ORIGINAL FRENCH PROPOSAL (PARIS 27772) ENVISIONED PAYMENT OVER TEN YEAR PERIOD. SCHRICKE TOOK NOTE OF OUR STATEMENT THAT WE HAD DESIGNED THE NOTES TO SET FORTH THE AGREEMENT ON BASIC POINTS REACHED AT MARTINIQUE. HE ADDED, HOWEVER, THAT HE HAS BEEN UNABLE SO FAR TO FIND OUT WHAT WAS AGREED TO (IF ANYTHING) AT MARTINIQUE ON THE "TEN VS. FIVE" PAYMENT FORMULA. HE SAID THAT WITH OUR DRAFT NOTES IN HAND HE WOULD PURSUE THIS QUESTION WITH HIS SUPERIORS. HE WONDERED WHAT OUR OFFICIAL TRANSCRIPT OF THE MARTINIQUE MEETING SAID WITH REGARD TO THE PERIOD OF PAYMENT.

5. TIMING OF FIRST PAYMENT: NOTING THAT THE PHRASE "BY JUNE 1975" (PARA 2 REFTTEL) WAS LESS THAN TOTALLY CLEAR, SCHRICKE ASKED SPECIFICALLY BY WHAT DATE THE UNITED STATES WOULD WISH TO SEE THE FIRST PAYMENT MADE?

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TO SECSTATE WASHDC PRIORITY 5847  
INFO USMISSION NATO PRIORITY

C O N F I D E N T I A L SECTION 02 OF 02 PARIS 01123

WE UNDERTOOK TO PROVIDE SCHRICKE WITH CLARIFICATION ON THIS POINT.

6. WE INFORMED SCHRICKE OF SENATOR BYRD'S INTENTION TO OPEN SUBCOMMITTEE HEARINGS ON JANUARY 16 ON THE MOVEMENT OF NATO FACILITIES FROM FRANCE IN 1967, WHICH WE LEARNED FROM WIRELESS FIRE RECEIVED TODAY BY EMBASSY. WE TOLD SCHRICKE THAT, ACCORDING TO THE WIRELESS FILE REPORT, ELLSWORTH AND LOWENSTEIN WILL BE OPENING WITNESSES. SCHRICKE SHOWED KEEN INTEREST IN THIS DEVELOPMENT.

7. COMMENT AND RECOMMENDATIONS: WE WOULD APPRECIATE RECEIVING PROMPTLY FROM THE DEPARTMENT ANY INFORMATION IT HAS ON AGREEMENT THAT MIGHT HAVE BEEN REACHED DURING THE MARTINIQUE SUMMIT CONCERNING FRELOC PAYMENT OVER FIVE YEARS RATHER THAN TEN YEAR PERIOD PROPOSED INITIALLY BY THE FRENCH. WE WOULD ALSO APPRECIATE CLARIFICATION OF MEANING OF PHRASE "BY JUNE 1975", WITH INDICATION OF EXACT DATE BY WHICH WE WISH TO SEE FIRST PAYMENT MADE BY GOF. WITH REGARD TO SENATOR BYRD'S HEARINGS, WE WOULD APPRECIATE DESCRIPTION OF BACKGROUND AND PURPOSES OF THESE HEARINGS AS THEY PERTAIN TO FRELOC SUBJECT. TO AVOID POSSIBLE MISUNDER-  
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STANDINGS WITH FRENCH THAT COULD ARISE (E.G., FROM INCORRECT PRESS REPORTS) CONCERNING THESE HEARINGS AND THAT, AS A RESULT, COULD RETARD THE SUCCESSFUL COMPLETION OF THE FRELOC NEGOTIATIONS, WE NEED TIMELY INFORMATION CONCERNING PROGRESS OF THESE HEARINGS. IN PARTICULAR, WE TRUST DEPARTMENT CAN TRANSMIT AS SOON AS POSSIBLE THE TEXTS OF ANY STATEMENTS BY ELLSWORTH AND LOWENSTEIN BEFORE SENATOR BYRD'S SUBCOMMITTEE, AS WELL AS PERTINENT EXTRACTS FROM TESTIMONY OF THESE AND OTHER WITNESSES.  
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